



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
MICHIGAN ADMINISTRATIVE HEARING SYSTEM

ORLENE HAWKS  
DIRECTOR

[REDACTED]  
[REDACTED]  
[REDACTED] MI [REDACTED]

Date Mailed: April 11, 2019  
MAHS Docket No.: 19-002392  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Ellen McLemore**

**HEARING DECISION**

Following Petitioner's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 400.37; 7 CFR 273.15 to 273.18; 42 CFR 431.200 to 431.250; 42 CFR 438.400 to 438.424; 45 CFR 99.1 to 99.33; and 45 CFR 205.10; and Mich Admin Code, R 792.11002. After due notice, a telephone hearing was held on April 10, 2019, from Detroit, Michigan. Petitioner was present with her husband, [REDACTED]. The Department of Health and Human Services (Department) was represented by Crystal Hackney, Assistance Payments Supervisor, and Troylynn Washington, Assistance Payments Worker.

**ISSUE**

Did the Department properly close Petitioner's Food Assistance Program (FAP) and Medical Assistance (MA) benefit cases?

**FINDINGS OF FACT**

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. Petitioner was an ongoing FAP and MA recipient.
2. On December 3, 2018, Petitioner and her husband completed a Mid-Certification Contact Notice related to their FAP benefit case (Exhibit A).
3. On December 26, 2018, Petitioner completed an Application/Redetermination of her MA benefit case (Exhibit G).
4. On January 10, 2019, the Department sent Petitioner a Verification Checklist (VCL) requesting verification of her husband's pension/retirement income and savings account (Exhibit H).

5. On January 25, 2019, the Department sent Petitioner a second VCL requesting verification of her husband's pension/retirement income (Exhibit I).
6. On February 22, 2019, the Department sent Petitioner a Health Care Coverage Determination Notice (HCCDN) informing her that her MA benefit case was closing effective January 1, 2019, ongoing (Exhibit E).
7. On February 22, 2019, the Department sent Petitioner and her husband a Notice of Case Action (NOCA) informing her that her FAP benefit case was closing effective April 1, 2019, ongoing (Exhibit F).
8. On March 6, 2019, Petitioner submitted a request for hearing disputing the Department's actions related to her FAP and MA benefit cases.

### **CONCLUSIONS OF LAW**

Department policies are contained in the Department of Health and Human Services Bridges Administrative Manual (BAM), Department of Health and Human Services Bridges Eligibility Manual (BEM), Department of Health and Human Services Reference Tables Manual (RFT), and Department of Health and Human Services Emergency Relief Manual (ERM).

The Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food and Nutrition Act of 2008, as amended, 7 USC 2011 to 2036a and is implemented by the federal regulations contained in 7 CFR 273. The Department (formerly known as the Department of Human Services) administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001-.3011.

The Medical Assistance (MA) program is established by Title XIX of the Social Security Act, 42 USC 1396-1396w-5; 42 USC 1315; the Affordable Care Act of 2010, the collective term for the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152; and 42 CFR 430.10-.25. The Department (formerly known as the Department of Human Services) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

In this case, Petitioner was an ongoing FAP and MA benefit recipient. In January 2019, the Department conducted a review of her FAP and MA benefit cases. The Department sent a VCL on January 10, 2019, requesting verification of her husband's pension/retirement income. Proofs were due January 22, 2019. The Department granted Petitioner an extension and sent a second VCL on January 25, 2019, requesting verification of her husband's pension/retirement income. Proofs were due by February 4, 2019.

Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. BAM 130 (April 2017), p. 1. To request verification of information, the Department sends a verification checklist (VCL) which tells the client what verification is required, how to obtain it, and the due date. BAM 130, p. 3. For FAP cases, the Department allows the client 10 calendar days (or other time limit specified in policy) to provide the verification that is required. BAM 130 (April 2017), p. 7. For MA cases, the Department allows the client 10 calendar days (or other time limit specified in policy) to provide the verification that is required. BAM 130 (April 2017), p. 7. If the client cannot provide the verification despite a reasonable effort, the Department will extend the time limit up to two times. BAM 130, p. 8. Verifications are considered to be timely if received by the date they are due. BAM 130, p. 7. For electronically transmitted verifications (fax, email or Mi Bridges document upload), the date of the transmission is the receipt date. BAM 130, p. 7. Verifications that are submitted after the close of regular business hours through the drop box or by delivery of a Department representative are considered to be received the next business day. BAM 130, p. 7. The Department sends a negative action notice when: the client indicates a refusal to provide a verification OR the time period given has elapsed and the client has not made a reasonable effort to provide it. BAM 130, p. 7.

The Department testified that Petitioner did not return verification of her husband's savings and pension/retirement income. As a result, the Department sent a HCCDN on February 22, 2019, informing her that her MA benefit case was closing and an NOCA informing her that her and her husband's FAP benefit case was closing.

Petitioner's husband testified that he did not have a savings account. Petitioner's husband stated that he approached his bank to obtain written verification that he did not have a savings account, but the bank denied his request. The only documentation the bank would provide was a statement showing only a checking account in Petitioner's husband's name, which was submitted to the Department. Petitioner's husband also testified that the pension that he was receiving was funds from the government of the United Kingdom (U.K.). Petitioner's husband stated it was not truly a pension but similar to Social Security in the United States. Petitioner's husband testified that he tried to reach out to the governmental entity in January 2019 to receive verification of the income but was having difficulty obtaining the proofs. Petitioner's husband stated the only verification he was able to obtain was his bank statement showing the direct deposit of the income, which was submitted to the Department.

The Department sends a negative action when the client indicates a refusal to provide a verification OR the time period given has elapsed and the client has not made a reasonable effort to provide it. Petitioner and her husband clearly did not indicate a refusal to provide the verification and made a reasonable effort to comply with the requests for verification. Thus, the Department did not act in accordance with policy when it closed Petitioner's FAP and MA benefit cases.

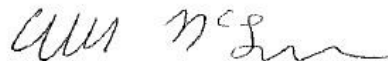
**DECISION AND ORDER**

The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when it closed Petitioner's MA and FAP benefit cases.

Accordingly, the Department's decision is **REVERSED**.

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Redetermine Petitioner's MA eligibility as of January 1, 2019, ongoing;
2. If Petitioner is eligible for MA benefits, provide him with coverage he is entitled to receive as of January 1, 2019, ongoing;
3. Redetermine Petitioner's FAP eligibility as of April 1, 2019, ongoing;
4. If Petitioner is eligible for FAP, issue supplements in accordance with Department policy; and
5. Notify Petitioner of its MA and FAP decisions in writing.



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**Ellen McLemore**  
Administrative Law Judge  
for Robert Gordon, Director  
Department of Health and Human Services

**NOTICE OF APPEAL:** A party may appeal this Order in circuit court within 30 days of the receipt date. A copy of the circuit court appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Order if the request is received by MAHS within 30 days of the date the Order was issued. The party requesting a rehearing or reconsideration must provide the specific reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MAHS. If submitted by fax, the written request must be faxed to (517) 763-0155; Attention: MAHS Rehearing/Reconsideration Request.

If submitted by mail, the written request must be addressed as follows:

Michigan Administrative Hearings  
Reconsideration/Rehearing Request  
P.O. Box 30639  
Lansing, Michigan 48909-8139

**DHHS**

Linda Gooden  
MDHHS-Oakland-6303-Hearings

**Petitioner**

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[REDACTED] MI [REDACTED]

BSC4  
M Holden  
D Sweeney  
D Smith  
EQAD